PW (1947) Department.

MS SERIES.

G.O. NO. 1400
1400

Dated 14-5-47

closed
10.11.47

Despatch Abstract.

Elecy - Udipi electric licence - Accounts for 1945-46 - Recorded with remarks

SASTRI & SHAH
INCORPORATED ACCOUNTANTS
REGISTERED ACCOUNTANTS.
TELEGRAMS: "INCORPORATE" MADRAS.
TELEPHONE 3031.

106 ARMENIAN STREET,
MADRAS

4th December, 1946.

The Secretary to the Government,
Public Works Department,
Fort St. George,
Madras.

Dear Sir,

Re: Udipi Electric Licence - Accounts for 1945-46.

We have examined the accounts of the above Licensee under the Electricity Act as per G.O.No. R 1309 dated 4th November, 1943 for the year ended 31st March, 1946 and have certified the relative statements. We beg to report thereon as under.

NO.III CAPITAL ACCOUNT: Service Connections Rs.629-13-5: This item represents cost of materials for temporary Service Connections Rs.202-14-10 and cost of new services under permits and for reconnections for Rs.426-14-7. The 15% centage charges is made only on new connections given to permit-holders . The materials issued for this purpose are charged at the actual cost only.

The sum of Rs.559-0-7 shown under retrievals is the cost of materials taken back to Stores out of disconnected and temporary Service Connections and the Stores charged to Consumers for Service Connections.

Meters: Rs.139-11-8 - This represents the cost of Meters installed on Consumers' premises.

Mains: Materials worth Rs.123-3-8 have been retrieved and taken back to Stores.

Public Light Fittings Rs.1,052-5-7: This sum represents the cost of fittings for 50 street lights newly connected during the year at Karkala.

Furniture & Fittings: Certain articles of furniture were condemned during the year and written off to General Establishment Charges under "E - Management Expenses"

Preliminary Expenses: A sum of Rs.300/-was provided in excess in the earlier years of the Company for Sundry Creditors for expenses. The amount was originally debited to the Preliminary Expenses Account and credited to Sundry Creditors for expenses. The Management feel that this amount need not be paid to any Creditor of the Company. The entry is, therefore, reversed by debiting Sundry Creditors for Expenses Account and crediting Preliminary Expenses Account.

No portion of the Engineers' Salaries or Establishment or any other item of Revenue Expenditure has been capitalised during the year.

NO.IV REVENUE ACCOUNT: The salaries of the Engineers have been analysed under Generation, Distribution and Management in the ratio of 30 : 30 : 40 respectively.

The following are the details of the General Establishment Charges shown under "E - Management Expenses":

Bank Commission	Rs.72 14 -
Travelling Expenses	509 13 5
C/F.	582 11 5

B/F.	Rs.582	11	5
Sundry Expenses	342	14	-
Telephone Charges	58	9	3
Conveyance	36	-	8
Establishment (Head Office)	2.421	10	11
Advertisement	70	-	-
Electricity Charges	45	10	2
Maintenance of Furniture & Fittings	273	13	2
Postage & Telegrams	251	4	-
Printing & Stationery	535	5	-
Salaries of Branch Office staff	1,702	2	1
	6,320	-	8

12 The Licensee has provided a lump sum depreciation of Rs.3,500/-for the year under audit which, in our opinion, is not adequate.

13 The details of the Miscellaneous Receipts from Consumers are:

Interest for late payments	Rs.110	1	1
Fuse Renewals	40	8	-
Reconnection Charges	255	-	-
Shifting Charges	13	-	-
Rounding off bills	-	1	5
	418	10	6

p 10 yrs
14 NO.V NET REVENUE ACCOUNT: Sundry Income Rs.37-1-3: This represents income from sources which are not provided in the official booklet of rates and conditions of the Licensee. This has been shown in No.V Net Revenue Account in order to reconcile the Government accounts with the Geneal accounts of the Company.

p 10 yrs
DEPRECIATION FUND ACCOUNT Rs.13,500: The investments on this account were only for Rs.1,060/-upto 31-3-1946, but a further sum of Rs.1.000/- has since been invested.

p 3 yrs
We enclose herewith our bill in triplicate and a certificate in duplicate regarding our appointment as Auditors on behalf of the Government.

Yours faithfully,

Encl:
S/SS.

TELEGRAMS: "INCORPACT." TELEPHONE: 3031.

SASTRI & SHAH

INCORPORATED ACCOUNTANTS,

REGISTERED ACCOUNTANTS,

106, ARMENIAN STREET, MADRAS.

No. B 192

4th December, 1946

The Udipi Electric Supply Corporation Ld.
through the Secretary to the Government,
Public Works Department, Madras. Dr

	Rs.	a.	p.	Rs.	a.	p.
For auditing the accounts on behalf of the Government for the year ended 31st March, 1946.						
4 hours for Principal @ Rs. 15/- per hour	60					
8 hours for assistant @ Rs. 5/- per hour	40					
				100	-	
Rupees one hundred only.				100	-	-

E. & O.E.

Sastri & Shah

MEMORANDUM

5

SASTRI & SHAH
INCORPORATED ACCOUNTANTS.
REGISTERED ACCOUNTANTS.
106, ARMENIAN STREET,
MADRAS.
TELEGRAMS: "INCORPACT" TELEPHONE: 3031

4th December, 1946.

Not part of We hereby certify that under G.O.No. R 1309 dated 4th November, 1943 we have been appointed as Auditors on behalf of the Government to audit the accounts of the Udipi Electric Supply Corporation Limited, Madras, for a period of three years commencing with the accounts for 1943-44 and ending with the accounts for 1945-46.

Sastri & Shah.

THE UDIPI ELECTRIC LIC

THE UDIPI ELECTRIC SUPPLY CORPO

FOR THE YEAR ENDED 31ST

I. STATEMENT OF SHARE CAPITAL APPROPRIATED FOR THE PURPOSES OF THE UNDE

Description of Capital	Authorised by	No. of Shares issued	Nomi of
Ordinary Shares	Memorandum and Articles of Association	18,500	Rs.1
6½% Tax Free Cumulative Preference Shares		5,000	Rs.1
3% Cumulative Taxable 2nd Preference Shares		2,000	Rs.1

OFFICE OF THE CHIEF ELECTRICAL INSPECTOR TO GOVERNMENT.
Section.
D7067
1 DEC 1948

II. STATEMENT OF LOAN CAPITAL APPROPRIATED FOR THE PURPOSES OF THE UNI

Description of Loan	Amounts Borrowed

SASTRI & SHA
INCORPORATED ACCOUNTANTS
REGISTERED ACCOUNTANTS.
MADRAS.

CE 1937.

TION LIMITED, MADRAS.

RCH, 1946.

KING AUTHORISED BY THE ABOVE-MENTIONED LICENCE AT THE END OF THE YEAR.

l amount. hare	Called up per share	Total paid up	Issued but not paid up	Remaining unissued	Total amount authorised
	Rs.10/-	Rs.1,84,530/-	Rs.470/-	Rs.35,000/-	Rs.2,20,000/-
	Rs.10/-	" 59,950/-	" 50/-	nil	60,000/-
	Rs.10/-	" 10,030/-	9,970/-	nil	20,000/-
		2,54,510/-	10,490/-	35,000/-	3,00,000/-
Less Calls in arrears		3,450/-			
Total amount paid up		2,51,060/-			

RTAKING AUTHORISED BY THE ABOVE-MENTIONED LICENCE AT THE END OF THE YEAR.

At	Remaining Borrowing Powers	Total amount of Borrowing Power

Total Share Capital paid up See No.I Rs.2,51,060/-

Total Loan Capital received See No.II ---

Total capital received. 2,51,060/-

UDIPI ELECTRIC SUPPLY CORPORATION LTD.
MECHELEC ENGINEERING CO. LTD.

Managing Agents

THE UDIPI ELECTRIC SUPPLY C

III. CAPITAL ACCOUNT FOR THE

DR.

	Expenditure upto end of previous year Rs. a. p.	Expended during the year Rs. a. p.	Written off, retreived or sold during the year Rs. a. p.	Tot tur Ma
To Preliminary Expenses	6,328 10 7	--	300	
" Buildings	21,024 9 9	--		2
" Plant & Machinery	88,860 13 3	--		8
" Mains	89,199 11 9	--	123 3 8	8
" Service Connections	6,147 9 1	629 13 5	5ᴐᴐ - 7	
" Transformers	3,095 - -			
" Meters & Fees for certifying under the Act	6,604 13 2	139 11 8		
" SPECIAL ITEMS:				
" Brokerage and Commission on Shares	2,595 13			
" Engineering & Development Expenses	6,000 - -			
" Public Light fittings	2,012 5 10	1,052 5 7		
Furniture & Fittings	2,199 3 11		259 13 3	
Library	250 12 -			
" Motor Car & Cycles	937 - -			
" Meter testing Equipment	500 - -			
" Tools & Instruments	1,526 5 -	8 14	23 1	
Total Expenditure	2,37,282 11 4	1,830 12 8	1,265 2 6	2,

To Balance of Capital Account

A LIMITED, MADRAS.

AR ENDED 31ST MARCH 1946.

CR.

expendi- to 31st h, 1946.		Receipts upto end of previous year	Received during the year	Total receipts to 31st March 1946.
Rs. a. p.		Rs.	Rs.	Rs.
028 10 7	By Ordinary Shares of Rs.10/-each	1,81,530/-	--	1,81,530/-
024 9 9				
	" 6½% Tax-free			
860 13 3	Cumulative Preference			
076 8 1	Shares of Rs.10/-each	59,950/-	--	59,950/-
218 5 11				
	" 3% Cumulative			
095 - -	Taxable 2nd Preference			
	Shares of Rs.10/-each	9,580/-	--	580/-
744 8 10				
	" Forfeited Shares Account	225/-	--	225/-
595 13 -				
000 - -				
064 11 5				
939 6 8				
250 12 -				
937 - -				
500 - -				
512 2 -				
848 5 6		2,51,285/-		2,51,285/-
436 10 6				
285 - -				2,51,285/-

FOR THE UDIPI ELECTRIC SUPPLY CORPORATION LTD.,
FOR THE MECHELEC ENGINEERING CO. LTD.

Manager. Managing Agents

THE UDIPI ELECTRIC SUPPL

IV. REVENUE ACCOUNT FOR THE

	Rs. a. p.	Rs. a. p.
A. GENERATION:		
To Fuel Oil	12,284 13 10	
" Lubricating Oil	3,740 10 7	
" Engine Room Stores	121 12 9	
" Proportion of Salaries of Engineers, Superintendents and officers	482 6 5	
" Wages & Gratuities being salaries of Power House Staff etc.	3,579 15 5	
" Repairs & Maintenance as follows:		
Buildings	337 10 -	
Plant & Machinery	1,453 8 8	
Transformers	10 3 5	
General Expenses	140 4 3	
	----------	22,151 5 4
B. DISTRIBUTION:		
" Proportion of Salaries of Engineers, Superintendents and officers	482 6 5	
" Wages & Gratuities being salaries of Line Staff	1,817 2 4	
" Repairs, Maintenance and renewals of:		
Mains	773 8 6	
Meters	34 5 6	
House Service Connections	244 5 5	
Tools & Instruments	14 11 -	
	----------	3,366 7 2
C. PUBLIC LAMPS:		
" Attendance & Repairs	33 2 6	
" Renewals etc.	633 12 -	
	---------	666 14 6
D. RENTS, RATES & TAXES:		
" Rents	782 5 7	
" Rates & Taxes	480 6 6	
" Electricity Duty	359 6 11	
	---------	1,622 3 -
E. MANAGEMENT EXPENSES:		
" Directors' Remuneration & Travelling Expenses	213 14 8	
" Managing Agency Allowance	4,800 - -	
" General Establishment charges	6,320 - 8	
" Proportion of Salaries of Engineers, Superintendents and officers	643 3 2	
" Auditors of Company	300 - -	
" " appointed under the provisions of the Act	100 - -	
		12,377 2 6
F. LAW CHARGES:		
" Law Expenses		150 - -
G. DEPRECIATION:		
" Depreciation		3,500 - -

		43,834 - 6

CORPORATION LIMITED, MADRAS.

EAR ENDED 31ST MARCH, 1946.

SASTRI & SHAH
INCORPORATED ACCOUNTANTS
REGISTERED ACCOUNTANTS.
MADRAS.

	Rs. a. p.	Rs. a. p.
By SALE OF ENERGY:		
For Lighting Purposes	29,146 14 10	
" Power purposes	4,339 5 5	
Under Special Contracts	2,986 3 3	
	36,472 7 6	
Less Rebate on Consumers' bills	830 12 -	
		35,641 11 6
" Public Lighting		4,315 11 2
" Maintenance of Public Lights		841 8 -
" Rental of Meters & Public Light Fittings		2,959 14 1
" Transfer & Sub-division fees		11 - -
" Miscellaneous Receipts from Consumers		418 10 6
" War condition surcharges		11,138 9 8
" Service Connection Receipts		389 11 7

FOR THE UDIPI ELECTRIC SUPPLY CORPORATION LTD.
FOR THE MECHELEC ENGINEERING CO. LTD.
Manager
Managing Agents

C/F. 55,716 12 6

THE UDIPI ELECTRIC SUPPLY CO

IV. REVENUE ACCOUNT FOR THE YE

	Rs. a. p.	Rs. a. p.
B/F.		43,834 - 6
H. SPECIAL ITEMS:		
To Insurance	64 9 6	
" Electrical Inspector's Inspection fees	110 - -	
" Service Connection Expenses	338 14 3	
Total Expenditure	44,347 8 3	
" Balance carried to Net Revenue Account	11,369 4 3	
	55,716 12 6	

V. NET REVENUE ACCO

	Rs. a. p.	
To Interest on Consumers' Deposits	251 15 11	By
" Reserve for Doubtful Debts	500 - -	
" Balance applicable to Dividend on Ordinary Shares	11,687 13 6	
		"
		"
		"
	12,439 13 5	

VI. RESERVE FUND A

I L.

VII. DEPRECIATION FUND ACCOU

	Rs. a. p.	
To Balance	13,500 - -	By "
	13,500 - -	

ON LIMITED.

ENDED 31ST MARCH 1946 (contd.)

	Rs. a. p.	Rs. a. p.
B/F.		55,716 12 6
		55,716 12 6

NT.

	Rs. a. p.	Rs. a. p.
alance from last account	11,731 2 9	
ess Dividend paid:		
6½% Tax-free Cumulative Preference Shares	Rs.3,961 12 -	
3% Cumulative (Taxable) 2nd Preference Shares	300 14 5	
Ordinary Shares	6,554 11 1	
	10,817 5 6	913 13 3
Balance brought from Revenue Account (No.IV)		11,369 4 3
Interest on Investments		119 10 8
Sundry Income		37 1 3
		12,439 13 5

COUNT.

T.

	Rs. a. p.
Balance from last account	10,000 - -
Amount brought from Revenue Account	3,500 - -
	13,500 - -

INVESTMENTS:
3% 1952-54 Travancore Loan (Face value Rs.1,000/- Market value Rs.1,059-6-0) Rs.1,060

FOR THE UDIPI ELECTRIC SUPPLY CORPORATION LTD.
FOR THE MECHELEC ENGINEERING CO. LTD.

Manager. Managing Agents

THE UDIPI ELECTRIC SUPPLY C

VIII. GENERAL BALANCE SH

LIABILITIES.	Rs. a. p.	Rs. a. p.
To Capital Account: Amount received as per Account No.III		2,51,285 - -
" Sundry Creditors:		
For Goods supplied	2,020 2 -	
" Expenses	2,226 4 10	
" Other Finance	538 5 9	
		4,784 12 7
" Net Revenue Account Balance at credit thereof		11,687 13 6
" Reserve for Doubtful Debts		500 - -
" Depreciation Fund Account		13,500 - -
" Deposits:		
Consumers' Deposits	6,640 - -	
Other Deposits	807 11 2	
		7,447 11 2
" Unclaimed Dividends		1,496 8 1
		2,90,701 13 4

Sastri & Shah

INCORPORATED ACCOUNTANTS,
REGISTERED ACCOUNTANTS,
AUDITORS.

Madras, 4/12/1946.

1+5.

SASTRI & SHAH
INCORPORATED ACCOUNTANTS
REGISTERED ACCOUNTANTS.
MADRAS.

RPORATION LIMITED.

ET.

ASSETS.	Rs. a. p.	Rs. a. p.
By Capital Account: Amount expended for works as per Account No.III		2,37,848 5 6
" Stores on hand		29,183 15 7
" Sundry Debtors		8,067 15 2
" SECURITIES AS HELD: (At Cost)		
Consumers' Security Deposits:		
3% 1957 Victory Loan (Face value Rs.2,000/-, Market value Rs.2,044-6-0)	2,000 - -	
Depreciation Fund:		
3% 1952-54 Travancore Loan (Face value Rs.1,000/- Market Value Rs.1,059-6-0)	1,060 - -	
General Investments:		
Call Deposits in Joint Stock Companies	5,000 - -	
	8,060 - -	
Interest Accrued on above	37 4 -	
		8,097 4 -
" Prepaid Expenses & Advances		869 - 7
" Stationery on hand		300 - -
" Cash at Bankers		5,172 5 2
" " on hand and at Branches		1,162 15 4
		2,90,701 13 4

FOR THE UDIPI ELECTRIC SUPPLY CORPORATION LTD.
FOR THE MECHELEC ENGINEERING CO, LTD.

Manager Managing Agents

THE UDIPI ELECTRIC SUPPLY CORPORATION LTD.

No.IX Statement of Energy purchased, sold etc. during 1945-46.

192844	Total energy generated in kilowatt hours.	
21559	Public Lamps	Kilowatt hours sold.
30540	By Special Contract	
77009	Consumers by Meters for lighting purposes	
30207	Consumers by Meters for power purposes.	
159315	Total	
15197	Kilowatt hours used on works	
18332	Kilowatt hours not accounted for	
174512	Kilowatt hours accounted for	
10.68	Kilowatt hours connected for public lamps	
611	Total consumers connected.	
103.25 Udipi 19.66 Karkala	Total kilowatts connected	
147 at Udipi 15 " Karkala	Plant Kilowatts connected.	
105 at Udipi 16 " Karkala	Maximum demand in kilowatts.	

FOR THE MECHELEC ENGINEERING CO, LTD.

Managing Agents

ELECTRICITY DEPARTMENT.

From

Sri K.V. Narenthe, ...,
Chief Electrical Inspector to Government,
Post Box 417, Madras, 5.

To

The Secretary to Government,
Public Works Department,
Madras.

No.6996 /D/46 -5 dated 28 -4- '47

Sir,

Sub:- Udipi Electric Licence - Accounts for 1945 - '46
Remarks - Submitted.

pp 7-13 ends
pp 1-2 ends
p3 ends
p5 7-13 ends

I forward herewith a copy of the audited statement of accounts of the Udipi Electrical Undertaking for 1945 - '46 the audit report and bill of charges for Government audit.

2 The accounts have been scrutinised and the following remarks are submitted. The accounts under review relate to the 7th year of ~~operation~~ operation.

3. The important features of working are as extracted below

	Name of item	1944 - '45	19 -
1	Total capital expenditure to the end of	2,37,293	3,37,
2	Total operation and maintenance Expenditure.	34,344	44,
3	Total expenditure against revenue	36,173	44,
4	Total revenue from electric supply	33,477	39,
5	Total revenue from working	47,395	55,
6	Gross profit	12,709	11,
7	Net profit for the year	11,222	11,
8	Net profit from General Balance sheet	11,731	11,
9	Cost per unit generated in as.	1.96 as	1.
10	Working cost per unit generated in annas.	3.70	3.
11	Working cost per unit sold in as	4.45	
12	Total units generated	1,56,482	1,9,
13	Total units sold	1,30,130	1,6,
14	Total number of consumers	604	711
15	Maximum demand in K.W.	105 K.W. at Udipi 16 K.W. at karkala	105 K. 13
16	Dividend declared on ordinary shares	4% tax free	4 fr

4. The auditors bill of charges of Rs.100/- for Government for the year under review is the same as last years and is recommended for payment by the licensee.

(a) Regarding this the licensee has reported as follows:-

" We enclose herewith a extract from out letter No. V/486/43 dated 19-7- '43 explaining the circumstances under which the debentures were raised. Further to the points mentioned in our letter No. V/391/42 dated 30-7- '42 we request you to reconsider the case and recommend the capitalisation to be permitted."

(b) Orders on the licensees letter.

No. V/391/42 dated 30-7- '42, mentioned in the preceding para have already been passed in Government letter No. 2096 VII/42-2 dated 22-10- 1942. No fresh case has been made out by the licensee in letter No. V/486/43 dated 19-7- '43 for a reconsideration of the orders passed in Government letter dated 22-10- '42 and para 2 of G.O. No. Ps. 1510 P.W.D. dated 28-5- '45.

(c) The licensee may therefore be instructed to write back the sum of Rs.5647-8-0 representing the interest on debentures in 1944 - '45 to Net Revenue Account.

12. General

(a) The undertaking has completed 7 years of operation.

(b) The working cost per unit generated and sold for the under review are 3.67 as and 4.44 as respectively.

(c) A sum of Rs.13,500/- only is provided as depreciation for all these years and this works out to nearly 6% on a total cost expenditure of Rs.2,37,848/-

(d) The cost of management expenses to total revenue for 1944 - '45 works to nearly 33% and is considered high. During the year under review, a 25 % war condition surcharge was in force and this has yielded a revenue of Rs.11,138-9-8 and but for this revenue, the centage of management expenses to revenue would have been still

(e) The Managing Agents have appropriated Rs.4800/- towards allowances for the year under review but waived the Commission of 1% on the Net Profit due to them as per agreement.

(f) The total paid up share capital etc. invested in the undertaking is Rs.2,51,066/- only and as per Recommendations of the Advisory Board Report on Public Utility Electric Supply would be entitled to a remuneration of Rs.1000/- only in the absence of or inadequacy of profits. The attention of the licensee may be drawn to this and he may be advised to consider the feasibility of reduction of the Managing Agents remuneration.

The working of the undertaking both on the technical and financial side as matters stand at present, leave much to be desired.

Chief Electrical Inspector
to Government.

PAN/

Encl:- 1 copy of 1945 - '46 accounts
" , Audit report
bill for Rs.100/-
1 copy of auditors certificate
1 extract of licensees letter dated
19-7- '43

Extract of our letter No. V/486/43 dated 19-7- 1943 addressed to the Electrical Inspector to the Govt. of Madras, Santhome High Road.

" (iv) With regard to the captalisation of the debenture interest we have to mention once again that Government was pleased to sanction captalisation of 5 % only as per their communication No.2096 -VII /43 -9 dated 22 nd October 1942. We have to mention that the captalisation at 5% is quite in order in accordance with principles of G.O. No.1583 dated 4-6- '41; para 2 under paragraph 5 (i). The debentures were raised for the sake of satisfying the liability on account of the original works, Viz., the plant & machinery purchased from M/s. Siemens (India) Ltd. The estimate for raising capital was in the first instance correctly made but due to the uncertain economic conditions in the market all the shares expected could not be raised. The original machinery consisted 3 sets, 2 of 112 K.W and one of 40 K.W. The Suppliers handed over the 40 K.W set with which the town was switched on, but for handing over the two big sets the Suppliers insisted on paying the full amount. As such the debentures had to be raised without waiting for the raising of the capital in shares. Under the circumstances, it will be clear that the debentures were raised for the original works only and not for extensions. We have also to contend that G.O. No.1583 dated 4.6.'41 stipulates 5% only in the case of extensions but not for original works. The rate of interest for the original works has been left to the avilability of money in the market to the licensee."

(True Copy)

Chief Accountant.

P.W.D.

A.C.:-

~~G.O. No. 1571 Dtd. 28-5 is referred to at Para~~

~~required for the diversion of this Case~~

Issue & dockets please

C.F. 16.

DRAFT FOR APPROVAL.

	Date.	Initials.
When received for fair copying ..		
When copied ..		
When examined..		
When signed ..		
When despatched.		

SUBJECT :- Electricity – Sudipur Electric Licence. Accounts for 1945-6. Recorded with remarks

READ AGAIN ..... dated ..... 19 .....

" " ..... " ..... 19 .....

READ *ALSO* :—

pp1-2 cf No. 1774/47 From ~~the~~ Messrs. Sadrid Shah No. Nil, dated 4-12- 1946

" ..... " ..... " ..... " 19

pp15-17 cf " ..... " The L.B.E.I.C. " 6996D/46-5 " 25-4- 1947

Order ~~Resolution~~ Ms. No. 1400, dated 14-5-47 19

Recorded.

p8 cf 2/ NO III Capital Account.

Para 5 on p16 cf The sum of Rs 259-13-3 exhibited

'A' p5 cf under "Furniture and fittings" is reported to represent the cost of furniture condemned during the year under review and written off to "General establishment charges under E-management expenses. This should have been exhibited separately on the Debtor side of NO V Net Revenue Account. The licensee is requested to note this for future guidance

p10.

pp9-10 cf 3/ NO IV Revenue Account.

(i) The audit auditors have reported that the licensee was provided a lump sum of Rs 5,500/only towards depreciation for the year and this amount is

Para 6 on p16 cf
Vide also para 12 of the audit report on p2 cf

Govt. agree with the auditors. ~~and~~ The licensee is requested to make provision for depreciation item-wise under G. Depreciation on the debtor side of No IV Revenue Account and in accordance with the revised rates of Income Tax Act in future and when revenues permit. Para 6 on p16 CF

(ii) It is reported that the details for Rs 342-14-0 included under "Sundry Expenses" in paragraph 11 of the Audit Report include the following items. Para 7 on p16 CF

(a) Donation to Andhra Chamber of Commerce for building construction } Rs 50/-

(b) Donation to Udipi Municipality towards South Girls School Fund } Rs 100/

The licensee is requested to exhibit these items separately in future on the Debtor side of No V Net Revenue Account. ½ + 2 CF

(iii) The sum of Re 0-1-5 representing the amount realised by way of rounding off energy bills has been included in the details given by the auditors in ~~the~~ and para 1.3 of the audit report. The rounding off of ies to the nearest anna in energy bills is not permissible by the ~~rules~~ rules and the licensee is requested to discontinue this practice in future. Para 9 on p16 CF ↑ 2 CF

4. Action taken on G.O.No 1510 Pwd 28-5-46 on 1944-5 accounts. pp 21-24 (P)

Paras 2 and 5 of G.O.No 1510 Pwd 28-5-46. pp 21-23 (P)

The licensee is informed that Orders on the licensee's letter his letter Para 11(6) on p17 CF

Para 4(b) on p17 CF

vide put up but please see para 2 d 5(a) of GO 1510 Rev dt 28-5-46 on p21-23 at (P) attached on p19 CF

21 (P)

S

Para 12(f) on p17 CF

K | M p17 CF

No V/391/42 d 30-7-42 referred to by them have been already passed in Govt letter No 20961/42-2 d 22-10-42. No fresh case has been made out by the licensee in their letter No. V/486/43 d 19-7-43 for a reconsideration of the orders passed in Govt letter d 22-10-42 and in para 2 of GO No 1510 Rev d 28-5-46. The licensee is therefore requested to write back the sum of Rs 5,647-8-0 representing the interest on debentures in 1946-7 Net Re... Ac...

5 General.

(a) The total paid up share capital etc invested in the undertaking is Rs 2,51,066/ only ... per Recommendations of the Advisory Board Report on Public Utility Electric Supply Finance, the Managing Agents would be entitled to a remuneration of Rs 1,000/ only ... in the absence of or inadequacy of profits. The atten... the licensee is invited to this and he is requested to consider the feasibility of reduction of the Managing Agents' remuneration.

(b) (i) It is considered that the working of the undertaking both on

technical and financial side as matters and at present, leaves much to be desired.

2. The Govt sanction the payment of a fee Rs 100 (Rupees one hundred only) to the auditors work done on behalf of the Govt. The licensee requested to pay the amount to the auditors as soon as possible.

K

Para 4 on P 15 C

N
12.5.47

To The Tudipi Electric Supply Co. Ltd, 99. A Armenian Street G.T. Madras

Messrs. Sastri & Shah, Regd Accountants, Armenian St, Madras.

The C.E.I.G (2 Copies)

Copy to the P.S. to the Hf.

pp 15 C

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12/5

12.5.47

The draft above is in accordance with the recommendations of the C.E.I.G and is for approval.

(X)

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12-5-47

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